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DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

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Division Director

Salt Lake City, Utah 84180-1203
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April 14, 1989

Mr. Larry Sower General Manager Crystal Peak Minerals Corporation P.O. Box 100 Milford, Utah 84751

Dear Mr. Sower:

Re: DOGM Permit Review, 1989 NOI Permit Revision, Sevier Lake Project, M/027/008-89(1), Milard County, Utah

On The Division has completed its review of your January 9, 1989, request to revise the approved Notice of Intention (NOI) for the Sevier Lake Project. This letter is forwarded to you to notify you of the outstanding technical deficiencies which must be resolved prior to issuance of DOGM approval:

R613-004-113 Surety

On March 31, 1988, the Board approved the surety amount of \$53,000 for the reclamation of the disturbance to date. This amount includes the costs required for the deliberate flooding of the pond complex using the existing pumps. The operator indicates that the borrow area and water wells have been partially reclaimed. The current reclamation liability is \$51,000 (\$46,100 plus contingency) in 1989 dollars.

The 1989 construction will disturb an additional 24.1 acres (not associated with the solar pond complex construction of the dikes and ditches). This disturbance is 22.6 acres for the Salt wash plant and storage pad, and 1.5 acres for the buried process water line.

Total required surety -- including 1988 year-to-date disturbance -- is \$137,000 (1994 dollars). The BLM is holding a \$53,000 bond; therefore, an additional \$84,000 is needed from Crystal Peak. A reclamation estimate is attached.

R613-004-106.6 and 107.5

The operator needs to describe a topsoil collection, protection and redistribution plan for the Salt Wash Plant and Product Stockpile area. Viable soil material must be removed from the area before construction. The material must be stockpiled and stabilized until reused for reclamation. A variance should be requested for this area if no soil material is to be stockpiled.

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R613-004-111.13

In reference to the Salt Wash Plant and Product Stockpile area, the operator needs to describe how revegetation will be obtained. Residual salts, from stored product, must be removed before reseeding. How will this be accomplished?

General Comments

The operator plans to install a temporary railcar loadout at the Black Rock Siding on the Union Pacific railroad. A permanent facility will be constructed in 1991. The Division has determined this to be an offsite facility which will not require permitting through this agency.

Utah Power and Light will construct a 46 KV power transmission line form the Milford substation to the plant site. This line will be 26.5 miles long and involve an area of 96 acres (30 foot right-of-way). This project is not scheduled for 1989. The Division will temporarily defer its permitting decision on this proposal until the year of its scheduled construction.

If possible, please provide a response to these technical concerns by May 20, 1989. Please contact me or D. Wayne Hedberg or my staff should you have any questions or concerns regarding this review. Thank you for your patience and cooperation in completing this permitting action.

Sincerely,

Lowell P. Braxton Administrator,

Minerals Resource Development and Reclamation Program

DWH/jb Attachment

cc: Michael Jackson, BLM, Warmsprings Resource Area

Jerry Goodman, BLM, Richfield District Office

Jerry Mansfield, State Lands

Allen Vance, BLM, Utah State Office

Minerals Team

MN3/68-69